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IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1953

NO. 424

WESTINGHOUSE ELECTRIC CORPORATION,
a corporation,
Petitioner,

v.

BULLDOG ELECTRIC PRODUCTS COMPANY,
a corporation,
Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FOURTH CIRCUIT

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To the Honorable Chief Justice and Associate Justices of the Supreme Court of the United States:

I. SUMMARY STATEMENT OF THE MATTERS INVOLVED

This is an action brought in the United States District Court for the Northern District of West Virginia by Westinghouse Electric Corporation, petitioner herein, against Bulldog Electric Products Company, respondent herein, for infringement of patents relating to electric circuit breakers. The trial was by the court without a jury and a judgment was rendered in favor of the respondent. An appeal from said judgment in respect to certain of said patents was taken by the petitioner herein to the

United States Court of Appeals for the Fourth Circuit, which affirmed the judgment of the District Court. The principal questions involved on said appeal were the validity and infringement of said patents.

The opinion of the District Court is reported in 106 F. Supp. 819 and the opinion of the Court of Appeals in 98 USPQ 300 (not yet published in Federal Reporter). Prior opinions on a motion for summary judgment are reported in 81 F. Supp. 987 and in 179 F. 2d 139.

The patents involved cover small circuit breakers for protecting the electric wiring in buildings, such as homes, stores and offices. These circuit breakers protect the wiring against overloads and short circuits and eliminate the inconveniences and dangers of the ordinary electric fuse. Such circuit breakers have a handle which may be operated as a switch to turn the current on and off, and there is a bimetallic thermostat which releases the mechanism upon the occurrence of an excessive current to cause opening of the circuit. After the cause of the overload has been remedied, the contacts may be reclosed by movement of the handle.

Three of the above-mentioned patents are relied upon here. They are Hodgkins No. 2,073,103 (Exhibit 20, R. 9), Swingle No. 2,329,362 (Exhibit 21, R. 25) and Jennings No. 2,190,517 (Exhibit 22, R. 49). The accused circuit breakers of respondent are called by the trade names "Pushmatic" and "Circuit Master". These devices are shown on the colored charts, Exhibits 27 and 33 (following R. 383).

II. JURISDICTIONAL STATEMENT

The judgment of the Circuit Court of Appeals was entered on July 24, 1953 (R. 694). The jurisdiction of this Court is invoked under 28 U.S.C., Section 1254 (1).

III. QUESTIONS PRESENTED

The questions herein presented are the validity and infringement of said three patents, namely, Hodgkins 2,073,103 (claims 31, 32, 33 and 39-44); Jennings 2,190,517 (claims 15, 19-23, 25 and 27-35); and Swingle 2,329,362 (claims 27, 53, 54, 69, 70 and 70-80). A defense of alleged unclean hands or misuse of patents was asserted but was held to be unfounded in said opinions on the merits by the District Court and the Court of Appeals (R-679).

IV. REASONS RELIED ON FOR THE ALLOWANCE OF THE WRIT

1. The decisions herein holding the Hodgkins and Jennings patents invalid are in conflict with decisions in the case of Westinghouse Electric & Mfg. Co. v. Frank Adam Electric Co. in the Eighth Circuit where, as stated in an opinion by the Court of Appeals on a collateral issue (146 F. 2d 165), the District Court held the same two patents to be valid and where the Court of Appeals accepted, by logical inference, the findings of validity.

This Court has regularly granted certiorari to resolve conflicts between courts of appeals for different circuits with respect to the validity or infringement of patents. See, for example, *General Electric* v. *Jewell*, 326 U. S. 242, 243; *Mandel* v. *Wallace*, 335 U. S. 291, 292; *Jengersen* v. *Ostby & Barton*, 335 U. S. 560, 561 and *Bassick* v. *Hollingshead*, 298 U. S. 415, 416.

The parties herein stipulated (R. 278-9 and 289-90) and the Fourth Circuit Court of Appeals recognized (R. 684 and 687) that the Hodgkins and Jennings patents had been held to be valid in the unreported decision of the District Court for the Eastern District of Missouri. The appeal to

the Court of Appeals for the Eighth Circuit included the issue of validity of the patents. That Court might have disposed of the entire suit by reversing the District Court's holding of validity, but it did not do so. Instead, the case was remanded for the taking of additional evidence on an unclean hands defense. While the Eighth Circuit Court of Appeals stated in its opinion that it did not decide the merits of the appeal, the only logical inference which can be drawn from its action in remanding the case is that it was convinced as to the soundness of the District Court's holding of validity, since the exclusion by the lower court of the evidence on the unclean hands defense would have made no difference if the patents were invalid. If either defense were good, the final result would be dismissal of the complaint.

It must be presumed that the Court of Appeals would not put the parties to the expense of taking additional testimony on an issue which would be moot if the patents were invalid. This is supported by the fact that in the case of *Koochook Co.* v. *Barrett,* 158 F. 2d 463, which was decided in the following year by the same Court of Appeals, with its decision in the *Westinghouse* v. *Frank Adam* case cited on the point at page 467, the Court did not remand for the taking of excluded evidence, but held the patent invalid. Therefore, the Court's decision remanding the *Frank Adam* case for the taking of excluded evidence on the unclean hands defense was, in effect, a confirmation of the District Court's holding that the patents were valid. The decision of the Court of Appeals of the Fourth Circuit in the instant case is thus in conflict not only with the decision of the District Court in Missouri, but also with this ruling by the Court of Appeals for the Eighth Circuit.

Furthermore, the practical effect of the decision of the

Eighth Circuit Court of Appeals was much the same as if it had affirmed the decision of the District Court. This result obtained because the defendant in the *Frank Adam* case, on remand, apparently realized that there was no basis for the unclean hands defense (as has been held in the instant case by both the District Court at R. 381 and by the Court of Appeals at R. 679) and took a license requiring it to pay a royalty of 3% on all circuit breakers covered by the Hodgkins or Jennings patents. A copy of this license is in evidence here as Exhibit 592 B. Thus the Frank Adam Company in the Eighth Circuit must pay royalty for use of the patents, while the Bulldog Company will be free, as a result of the decision in the Fourth Circuit, unless certiorari is granted to resolve the conflict of opinion in the two Circuits with respect to the validity of the patents.

It should be noted that the conflict of decision as to validity is one of the application of law, since substantially the same prior art patents were before the courts of the two Circuits. The main patents relied upon in the Fourth Circuit in holding invalidity were Krantz 1,726,233; German patent to Felten No. 198,249; Laganke 1,789,183; Weber 743,207, and De Reamer 1,494,221 (R. 682-689); and these same patents were found in the Eighth Circuit not to anticipate (R. 278-9 and 289-90). The additional patents referred to in the opinions in the Fourth Circuit are not of controlling significance, but are largely cumulative and show devices similar to those shown in the patents that were relied upon by the defendants in both cases. This is not a case where there was discovered for use in the second suit some previously overlooked anticipation. The different results in the two Circuits were thus occasioned by a conflict as to the interpretation of the law. This con-

flict between circuits should therefore be resolved by the grant of a writ of certiorari in the instant case.

2. The decision of the Court below is in conflict with the applicable decisions of this Court regarding (a) construction of patent claims, (b) what constitutes patentable invention and (c) priority of invention between rival inventors.

(a) The decision of the Court of Appeals in discussing the Hodgkins patent stated (R. 685) that it "must be precisely limited" to the "particular arrangement" illustrated and described in the patent, and substantially similar holdings were made with respect to Jennings (R. 688-9) and Swingle (R. 692). The decision in this regard is in conflict with the principles of patent law laid down in decisions of this Court. As demonstrated in Plaintiff's Exhibit 44 (R. 65), the claims in suit of the Hodgkins patent apply, element for element and function for function, to the respective devices of the respondent, shown in the charts following R. 383. Similarly the claims in suit of Swingle and Jennings patents are shown by Exhibit 45 (R. 73) and Exhibit 46 (R. 82) to apply in like manner to the accused devices against which they are asserted.

The Court of Appeals decision, however, ignores the wording of the claims and holds that there is no infringement because of mere differences of form which are not specified in the claims. This makes a nullity of the claims which are required by statute and is directly contrary to the decisions of this Court in *Smith* v. *Snow*, 294 U. S. 1, 11; *Continental Paper Bag Co.* v. *Eastern*, 210 U. S. 405, 418-9; *Exhibit Supply Co.* v. *Ace*, 315 U. S. 126, 130; *Milcor Steel Co* v. *Fuller*, 316 U. S. 143, 145-6 and *Graver Mfg. Co.* v. *Linde*, 339 U. S. 605, 607.

In the latter case this Court said:

> "In determining whether an accused device or composition infringes a valid patent, resort must be had in the first instance to the words of the claim. If accused matter falls clearly within the claim, infringement is made out and that is the end of it.
>
> "But courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed encourage—the unscrupulous copyist to make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence outside the reach of law. One who seeks to pirate an invention, like one who seeks to pirate a copyrighted book or play, may be expected to introduce minor variations to conceal and shelter the piracy. Outright and forthright duplication is a dull and very rare type of infringement. To prohibit no other would place the inventor at the mercy of verbalism and would be subordinating substance to form. It would deprive him of the benefit of his invention and would foster concealment rather than disclosure of inventions, which is one of the primary purposes of the patent system."

In the instant case it is not even necessary for petitioner to rely on the doctrine of equivalents, since the accused devices fall clearly within the claims.

The holding (R. 689) that the Swingle patent must be limited to a device having two operating springs (when the claims clearly and admittedly call for only one), based on the argument that the second spring is necessary to an operative structure and that the claims must be construed to include all the elements of the complete operative device,

is contrary to the decision of this Court in *Deering* v. *Winona,* 155 U. S. 286, 302, in which it is stated:

> "Admitting that additional elements are necessary to render the device operative, it does not necessarily follow that the omission of these elements invalidates the claim, or that the precise elements described in the patent as rendering it operative must be read into the claim."

(b) The decision of the Court of Appeals that the claims of Hodgkins, Jennings and Swingle do not define patentable devices (R. 685, 688-9 and 692) and are invalid for want of patentable invention, is contrary to the principles enunciated by this Court in *Expanded Metal Co.* v. *Bradford,* 214 U. S. 366, 381; *Temco* v. *Apco,* 275 U. S. 319, 328; *Goodyear Co.* v. *Ray-O-Vac,* 321 U. S. 275, 279; and *Eibel Co.* v. *Paper Co.,* 261 U. S. 45, 63 where the Court said:

> "In the case before us, for the reasons we have already reviewed, we think that Eibel made a very useful discovery which has substantially advanced the art. His was not a pioneer patent, creating a new art; but a patent which is only an improvement on an old machine may be very meritorious and entitled to liberal treatment. Indeed, when one notes the crude working of machines of famous pioneer inventions and discoveries, and compares them with the modern machines and processes exemplifying the principle of the pioneer discovery, one hesitates in the division of credit between the original inventor and the improvers; and certainly finds no reason to withhold from the really meritorious improver, the application of the rule *"ut res magis valeat quam pereat,'* which has been sustained in so many cases in this Court."

(c) The holding that the Jennings patent is anticipated by the work of Christensen (R. 687) notwithstanding the established fact that Jennings date of invention was in

October, 1935, at least two months before Christensen claimed to have conceived in December, 1935, certain parts of the invention, is contrary to *Marconi* v. *United States*, 320 U. S. 1, 34, in which this court held that the one who was first to conceive and did not abandon his invention is the prior inventor.

3. The scope and validity of the Hodgkins, Jennings and Swingle patents are of great importance because of the large volume of business involved, the number of licensees under these patents, and the deterrent effect of the existing uncertainty upon the further development of the circuit breaker industry.

The Hodgkins and Swingle patents cover circuit breakers known in the industry as "Multi-breakers" (R. 168) and the Jennings patent covers circuit breakers known by the name "Quicklag" (R. 169). Sales of Multi-breakers and Multi-breaker equipment by Westinghouse up to the date of the trial (January, 1951) exceeded $3,000,000 (Tr. 341-2 and 1851-6) and sales by Westinghouse of the Quicklag breaker up to the same date exceeded $5,500,000 (Tr. 587).

In addition, Westinghouse has granted licenses under the Hodgkins and Swingle patents to other manufacturers of Multi-breakers (Ex. 592 and 592 A) as follows:

Cutler-Hammer, Inc.
Square D Company
Trumbull Electrical Manufacturing Co.
Federal Electric Products Co.
Arrow-Hart & Hegeman Electric Co.

These licensees have sold many millions of dollars worth of Multi-breaker equipment. For example, the Square D Company alone sold over $30,000,000 worth of Multi-breaker

equipment on which it paid Westinghouse royalties of over $750,000 (Tr. 1872).

Licenses had been granted, up to the date of the trial, under the Jennings and other patents for the manufacture of Quicklag breakers (Tr. 1892) as follows:

I-T-E Circuit Breaker Co.
Cutler-Hammer, Inc.
Frank Adam Electric Co.
Federal Electric Products Co.

The Quicklag and Multi-breakers are used largely by the building industry in the construction and remodeling of the electric installations in homes, stores, offices, schools and hospitals. The patents on these circuit breakers have now been in continuous litigation in the lower courts for fourteen years, the *Frank Adam* suit having been filed October 17, 1939. Such a long period of litigation, with conflicting opinions, leaves the industry in a state of confusion.

Not only are the petitioner and its licensees affected by the decisions of the courts below, but practically an entire large industry is concerned, since there is now uncertainty as to whether other manufacturers require licenses for their operations and as to whether actions for infringement can be maintained against those whose products respond to the terms of the Westinghouse patents. Such manufacturers should become licensees or should be prosecuted for infringement if said patents are valid, as they have been held to be in the Eighth Circuit and not in the Fourth Circuit.

Further development of the circuit breaker industry is retarded by the uncertainty. Petitioner, as owner of the three patents here involved, does not know whether any

additional investment which it may make in developing the business will be protected by its patents. Other manufacturers desiring to enter this circuit breaker field do not know whether their investment will be jeopardized by the uncertain results of additional patent litigation, or whether a license should be obtained under the patents.

It is therefore a matter of great public importance that the validity of these patents, on two of which there have been conflicting decisions, be authoritatively determined by this Court.

Wherefore, your petitioner prays that, in view of the conflict of decision between the courts of the Fourth and Eighth Circuits, the failure of the Fourth Circuit Court of Appeals to follow the applicable decisions of this Court and the exceptional public importance of the matters involved, a writ of certiorari issue under the seal of this Court, directed to the Court of Appeals for the Fourth Circuit, to the end that this cause may be reviewed and determined by this Court as provided for by the statutes of the United States; that the judgment of said Court of Appeals for the Fourth Circuit be reversed; and that your petitioner be granted such further relief as to this Court may seem proper.

Dated October 20, 1953.

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